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FOREIGN SERVICE DESPATCH

DEPARTMENT OF STATE A/CDC/HR

FROM : American Embassy, Tripoli

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DESP. REVIEWED BY J. M. Razi DATE May 6, 1982
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TO : THE DEPARTMENT OF STATE, WASHINGTON.

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	NEA #4	RMR-2 A/Reg-2 OLI #6
	REC'D 6/30	INFO OTHER FOA #10 OSD #4 TR #3

SUBJECT: Fourth Meeting of Libyan-American Reconstruction Commission

JOINT USOM/L-EMBASSY MESSAGE

The fourth meeting of the Libyan-American Reconstruction Commission (LARC) convened on June 1 to consider further earmarkings and allotments of funds. The new chairman, Ali SAHLI, who is also the new Minister of Finance in the Libyan Government, was present to open the meeting but almost immediately turned the chair over to Salim al QADI, Minister of National Economy, who recently replaced Mohammed Bey LERNA as a member of LARC. Ali Sahli returned to his preparations for the Libyan-Italian property negotiations.

The minutes of the fourth meeting are transmitted as Enclosure No. 1. Enclosures Nos. 2 and 3 list the new projects and briefly describe them. Enclosures Nos. 4 and 5 are the minutes of two previous Technical Committee meetings which give additional details on the projects approved at the fourth meeting of the Commission. The summary figures in Enclosure No. 3 (Program Recommendations) do not agree in regard to allotments with the total shown in Enclosure No. 2 since allotments of £L34,000 and £L19,000 for the last two items on the schedule were proposed but not approved. They were postponed for further consideration because of the obduracy of the temporary chairman, Salim al Qadi, who apparently felt that he had to disapprove of something in order to show that he was there, even though he could advance no valid reasons for disapproval.

Enclosures Nos. 6 through 13 are the corrected versions of documents pertaining to LARC's third meeting on May 3 and 4. The differences between the final versions of the LARC law and rules of procedure (Enclosures Nos. 7 and 8) and the original drafts previously forwarded to the Department are minor. The quorum and voting provisions of the rules of procedure were introduced into the law. The new Article 4(2) of the law does not specifically state, as do the rules of procedure, that meetings of the Commission shall be convened upon the request of any two members, but since this provision is still in the rules of procedure, the Chairman would presumably be compelled to issue an invitation for a meeting at the request of any two members. No regular meeting time has been set for the Commission.

Four copies of the Arabic text of the LARC law are transmitted with Enclosure No. 7 in case the Department wishes to compare the Arabic text with the English version. The Embassy is also comparing the two texts.

Enclosure No. 14 is a reproduction of an article in the principal Arabic

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newspaper, Tarablus al Gharb. Since Tarablus closely reflects the policies and opinions of the Libyan Government, the article is of interest as an example of the government's public attitude toward LARC.

For the Ambassador:

David G. Nes
First Secretary of Embassy

Enclosures:

1. Minutes of the Fourth Meeting.
2-3. Descriptions of new projects.
4-5. Minutes of two previous Technical Committee Meetings.
6-13. Corrected versions of LARC's Third Meeting.
14. Reproduction of article in Arabic newspaper.

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(Cleared by M. J. Gordon)

CC: Benghazi

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Tarablus al Gharb
June 9, 1955
No. 3585

Reconstruction Program in Libya

The Libyan American Reconstruction Commission, according to an official communique, held a meeting on Wednesday, June 1 with the Minister of National Economy, the new member, acting as Chairman on behalf of Sayyed Ali Sahli, Minister of Finance, who was busy somewhere else.

The function of this Commission is to govern the distribution of funds that come from the U. S. Government against utilization of agreed air bases in Libya and to organize, sanction, and supervise capital and economic development projects. The communique says the Commission in its last meeting discussed and approved new projects amounting to £L777,250 to be added to other projects already approved in the meeting held on May 4 amounting to £L3,496,350, all these totalling £L4,373,600 to be taken from the appropriations of the present fiscal year, and from which a sum of £L1,802,000 will be earmarked for preparatory works related to the execution of projects.

The communique also points out that the reconstruction projects will cover fields of public works, health education, agriculture, forests and water supplies.

Such government projects which the government has left to the Commission to organize and to supervise their financing and execution have two aims of great importance which affect the public life and national economy of the country; to remedy the unemployment of hand labor by distributing the workers in fruitful and productive projects aimed for the development of national production by affecting reform in many fields especially by improving the agricultural lands which provide work for families and clans and give them a living, a dwelling and a benefit, and lead them as well to a life of tranquility, security and stability, thus adding in the field of the general national income new resources for developing income and reconstruction.

To such two basic aims in the life of the state, the LARC's efforts are directed. We uphold the Commission in its taking to such objectives. This is a thing which we have been always calling for, to utilize the public funds that come from the state steady income, in such projects which may raise the public standard of living and help the low and middle class laborer find an income that would regularize his life and thus move from one standard to another of a better pattern and grade. This is general purpose of the state in its reconstruction policy so often announced.

We support the Commission in the projects it is working out and which public opinion look upon favorably.

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